

RESOLUTION NO. 2009-40

**RESOLUTION TO LEGALLY CHALLENGE THE ANNEXATION OF CERTAIN
COUNTY PROPERTY BY THE CITY OF MARTIN, TENNESSEE.**

WHEREAS, in early 2007, the Weakley County Municipal Electric System purchased property, titled to Weakley County, outside the municipal limits of the City of Martin, Tennessee. The purpose of the purchase was to provide a location for a new central office facility for WCMES; and

WHEREAS, when WCMES requested the City to extend sewer service to the area, the City declined saying that it would be too expensive. WCMES looked at other options, and the most economical solution was to construct a 1.75-mile high-pressure force-main sewer line back to the City system. The cost of the force-main system was approximately \$181,000. At this point, WCMES approached the City once again, and offered to help pay for the City to extend a sewer line to the site (even up to the cost to install the force-main) and the City was still not interested; and

WHEREAS, WCMES began construction of the new facility in early summer of 2008 and has paid the full cost to have the force-main installed. The new facility is expected to be completed in July 2009. The City of Martin has initiated proceedings to annex a 1-foot wide strip of the State Route 22 right-of-way from the existing City Limits to the WCMES property, as well as the portion of WCMES's property within its Urban Growth Boundary. No other property is being annexed; and

WHEREAS, County property would not normally be subject to taxation by a City, but an Electric System is compelled by state law and TVA oversight to pay in-lieu-of tax equivalents. This could amount to an additional \$60,000 - \$70,000 per year in-lieu-of tax payments based on the book value of the new facility plus all the materials and equipment at the site. The only source of revenue to pay this tax is electric customers. Since WCMES is a County entity, and is required to provide uniform electric rates, all WCMES customers will pay more on their electric bills just to pay this tax. This would be an indirect tax on all WCMES customers in the 3-county area, for the benefit of the City of Martin only.

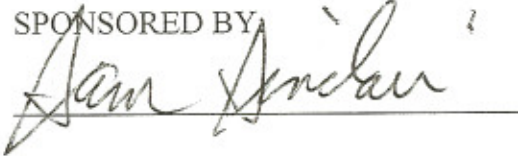
NOW THEREFORE, BE IT RESOLVED, by the county legislative body of Weakley County, Tennessee assembled in special session on this the 4th day of June 2009 in Dresden, Tennessee that our attorneys are authorized to file a declaratory judgment action challenging the validity of the City of Martin Ordinances 02009-02 and 02009-03 and Resolution R2009-09 and a quo warranto preceding contesting said Ordinances 02009-02 and 02009-03 and Resolution R2009-09 as provided for in Tennessee Code Annotated § 6-51-103.

BE IT FURTHER RESOLVED, that all resolutions of the Board of County Commissioners of Weakley County, Tennessee, which are in conflict with this resolution are hereby repealed.

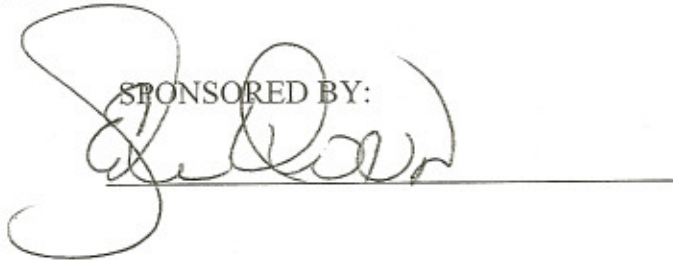
BE IT FURTHER RESOLVED, that this resolution take effect from and after its passage, the public welfare requiring it. This resolution shall be spread upon the minutes of the Board of County Commissioners.

Pursuant To The Rules Of The Commission, This Resolution Is Sponsored By The Following Members Of The Weakley County Board Of County Commissioners:

SPONSORED BY:



SPONSORED BY:



ACKNOWLEDGED AND APPROVED:


Chairman, Rules Committee

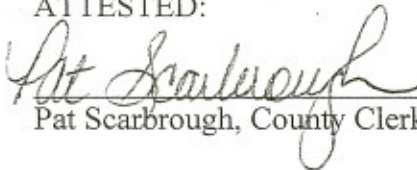
Motion made by Commissioner Jones that the foregoing resolution be adopted:

Motion seconded by Commissioner Owen.

Upon being put to a roll call vote, Motion carried by a vote of 14 Yeas, 3 Nays,

0 Passed and 1 Absent.

ATTESTED:

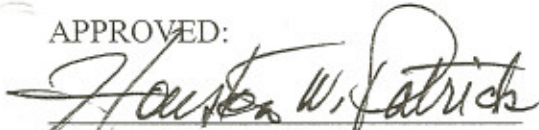

Pat Scarbrough, County Clerk

APPROVED:


Richard Phebus, Chairman

This the 4th Day of June 2009.

APPROVED:


Houston W. Patrick, County Mayor

VETOED:

Houston W. Patrick, County Mayor

DATE:

06-08-09

DATE: _____